

## **NOTICE**

The Ministry of Mines has prepared the draft Mines and Minerals (Development and Regulation) (Amendment) Bill, 2016 seeking to amend the Mines and Minerals (Development and Regulation) Act, 1957.

As part of the Pre-Legislative Consultation Policy, the draft Bill along with an Explanatory Note explaining the provisions of the proposed draft Bill are made available below. Comments/suggestions are invited from the general public, Governments of States and Union Territories, Mining Industry, Stake Holders, Industry Associations, and other persons and entities concerned, on the draft Bill. The last date for receipt of the comments/suggestions is **26<sup>th</sup> January, 2016**.

The comments/suggestions may be sent by e-mail to the following ID: [mmdr2014@gov.in](mailto:mmdr2014@gov.in)

Alternatively, comments/suggestions may also be sent by post to the following address:

Rokhum Lalremruata, Director  
Ministry of Mines  
Room No 308, D-Wing  
Shastri Bhawan  
Dr Rajendra Prasad Road  
New Delhi -110 001

The envelope may kindly be super scribed on the top with: “**Comments/suggestions on MMDR (Amendment) Bill, 2016**”.

<p>67 of 1957</p>	<p style="text-align: center;"><b>THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) (AMENDMENT) BILL, 2016</b></p> <p style="text-align: center;"><b>A</b></p> <p style="text-align: center;"><b>BILL</b></p> <p style="text-align: center;">further to amend the Mines and Minerals (Development and Regulation) Act, 1957.</p> <p>BE it enacted by Parliament in the Sixty Fifth year of the Republic of India as follows:-</p>	
	<p>1. (1) This Act may be called the Mines and Minerals (Development and Regulation) (Amendment) Act, 2016.</p> <p>(2) This Act shall come into force from the date of publication in the Official Gazette.</p>	<p>Short title and commencement</p>
	<p>2. In the Mines and Minerals (Development and Regulation) Act, 1957, after sub-section (6) in section 12A, the following proviso shall be inserted, namely:-</p> <p><i>“Provided that where a mining lease has been granted otherwise than through auction and where mineral from such mining lease is being used for captive purpose, such mining lease will be permitted to be transferred subject to compliance with the terms and conditions as prescribed by the Central Government in this behalf.”</i></p>	<p>Insertion of proviso for allowing transfer of captive mining leases granted through other than auction route.</p>

**Explanatory Note on Mines and Minerals (Development and Regulation) (Amendment) Bill, 2016**

To amend the Mines and Minerals (Development and Regulation) Act, 1957 to allow the transfer of mining leases granted otherwise than through auction and where mineral from such mining lease is being used for captive purpose subject to compliance with such terms and conditions as may be prescribed by the Central Government in this regard.

The transfer of captive mining leases, granted otherwise than through auction, would facilitate banks and financial institutions to liquidate stressed assets where a company or its captive mining lease is mortgaged. The transfer provisions will also allow mergers and acquisitions of companies and facilitate ease of doing business for companies to improve profitability and decrease costs of the companies dependent on supply of mineral ore from captive leases.

The transfer of captive leases would be subject to the consideration of enforcing Performance Security, Mine Development and Production Agreement (MDPA), and realisation of an appropriate amount, if any, if found feasible at the time of framing terms and conditions.

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